

MINUTES OF THE MEETING OF
HOUSE APPROPRIATIONS SUB-COMMITTEE ON ELECTED OFFICIALS
MONTANA HOUSE OF REPRESENTATIVES

January 12, 1977
4:00 p.m.
Rm. 225
State Capitol Bldg.

The meeting was called to order by Chairman Lynch, with all members present except Representative Gunderson, excused.

Subject: Legislative Auditors Office. William Gosnell, Associate Fiscal Analyst, stated that the executive budget and his office had no conflict on this budget.

Morris Bursett, Legislative Auditor, was present to explain the offices proposed budget. The agency is requesting an overall expenditure increase of 40.7% over the 1977 biennium and 24 additional FTE positions. The positions would be for additional analysts. They expect to conduct a financial/compliance audit on every state agency within the biennium period, and annually audit the treasurer's function, board of investments, liquor division, and the department of administration central control functions. It is proposed that they will audit for the state and the federal, which in turn they will charge the audit to the federal agencies, and then put the money back in the general fund. They are not sure of the impact the federal agencies will have yet. It is estimated that federal will cover 75%, and the state will cover only 25%. Mr. Bursett, stated that a salary audit would be given to the members of the committee the following day. Senator Lockrem asked the total number of CPA audits apposed to the cost. The reply was \$400 thousand, with 25 to 40 contracted audits. Senator Regan asked if they felt there was enough work to keep two program auditors busy. Senator Himsel, replied, yes, he felt there was a need. If they were not used as program auditors they would be used somewhere else, but the obligation in program matters is much greater than in the past.

Subject: Environmental Quality Council. Mr. Gosnell, stated that the numbers in the two budgets were the same. He also stated that a supplemental amendment was made to cover the rent.

Senator Tom Hager, John Reuss, Senator Margaret Warden, all members of the Environmental Quality Council Committee, stated that the only increase they were requesting was for the rent. Senator Lockrem asked if they didn't feel there was an overlap in their council studies? Senator Hager answered, no. An example, the natural gas study, may have been duplicated by a citizens group, but we felt our 12 member committee consisting of legislative memebbers and public members evaluated the matter best for the Legislature. Senator Regan asked, if the major increase was for rent, why was there a difference of \$97,722 between 1977 and 1979? She then asked how much the rent was? In reply the rent is \$8,372, per year, with 7 full time employees and 7 or 8 meetings, which were held last year. They were budgeted for only 4 meetings per year. Senator Regan then asked Mr. Gosnell to explain the difference. He replied the comparison was as fallows: \$102 thousand to \$127,315, salary, \$1 thousand to \$2 thousand, increased compenstion for meetings, \$23 thousand to \$27 thousand, contracted services, \$700 to 1,600, supplies, \$2,700 to 5,000, communication and transportation

and \$6,600 to \$13,500, travel expences. Representative Wood asked what studies were planned for the next biennium? A water study was one of the items for the next years study. Senator Regan asked if this would be necessary with the natural resource committee and one other agency already making the same study. They still felt they needed to make a study.

Subject: Workmans Compensation Judge. Mr. Gosnell explained to the committee that there was a difference between the executive budget and the fiscal analyst budget. The Executive budget was set at \$150,900 compared to \$137,235, FY 1978, and \$159,200 compared to \$140,278, for FY 1979, with the same FTE, of six. The judge's position was established during the 1975, Legislative Session and the money appropriated was not sufficient. They didn't realize how much work the position would require. In 1977, an additional appropriation was made to the judge, and 77% of this money has been used up in one half of a year. The appropriation will run out sometime in February and more money will be needed to run the office.

Judge Hunt, Workmans Compensation Judge, explained that being a new position no one knew how much work the job entailed. He stated that they had 300 cases last year. He did not know how many cases there would be this coming year but estimated the case load would be lower but the cases would be larger. Travel expences: Judge Hunt makes eight trips every 90 days to different cities. Salary and wages will most likely be set by the state pay plan. A supplemental bill was presented for \$57,828, for the judge to operate after February until the Legislature passed the full appropriations bill. Chairman Lynch asked why a budget amendment was not made for these additional funds? The reply was they wanted the committee to see and understand how and why the money was needed. Senator Lockrem asked how the judge determined his travel. Judge Hunt answered, that he went where the most hearings were held, where most of the witnesses are, and where the large medical centers are located.

Senator Regan moved the committee support a supplemental budget for the Workmans Compenstation Judge. The motion was seconded and carried with two members voting, no, Senator Lockrem and Senator Nelson.

Subject: Legislative Council. Mr. Gosnell stated that the difference between the request of the council and his office was he had appropriated for two additional FTE's. The executive budget is the same as the council request. Gosnell explained the reason for the two additional FTE's was that he wanted the committee to note an Administrative Code update was definitely needed and was asking the Legislative Council to handle this. Representative Scully, vice-chairman of the Administrative Code Commission, was present to explain the situation. The commission is under the Secretary of States Office, but they refused to carry a new program, which this would be. The request was for \$54 thousand, for a mag-card operation, to straighten out the terrible mess the codes are in. They had no place to go except to this sub-committee, for help.

Rose Weber, Executive Director of the council, explained that the council didn't feel they could handle the administrative codes when

ELECTED OFFICIALS SUB-COMMITTEE

January 13, 1977

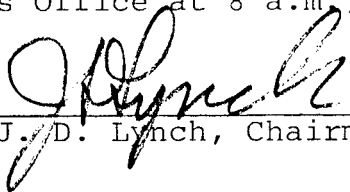
Page 3

they had the recodification codes to do during the biennium. To further explain the budget of the Legislative Council a 6% salary increase for July 1977 and 6% for July 1978, was made with no individual consideration. She stated that a savings on copying was made by the, Legislative Fiscal Analyst Office and the Legislative Analyst Office with the Legislative Council by working together, they are able to copy for 1.8 cents per sheet compared to four cents if they went through the administrative department. It will cost them about \$20, per set, to make the gray book. Attached is an explanation of the state travel claims and a summary of the Legislative Councils budget request.

Representative Marks stated the council dues were still to be payed.

The meeting was adjourned at 7:30 p.m.

Next meeting will be in the Secretary of States Office at 8 a.m., January 13, 1977.


J.D. Lynch, Chairman

jm